

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Defendant.

In re:

BERNARD L. MADOFF,

Debtor.

Adv. Pro. No. 08-01789 (BRL)

SIPA Liquidation

(Substantively Consolidated)

**ORDER APPROVING APPLICATIONS FOR
ALLOWANCE OF INTERIM COMPENSATION FOR
SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES**

This matter came before the Court on September 14, 2010 on the application (the “Application”)¹ of Irving H. Picard, Esq., trustee (“Trustee”) for the substantively consolidated liquidation of the business of Bernard L. Madoff Investment Securities LLC (“BLMIS”) under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa, *et seq.* (“SIPA”),² and for the estate of Bernard L. Madoff (“Madoff”, and together with BLMIS, each a “Debtor” and collectively, the “Debtors”), Baker & Hostetler LLP, counsel to the Trustee (“B&H”), and certain special and international counsel listed on Exhibit A annexed hereto (the “Professionals”) retained by the Trustee in connection with the liquidation proceeding, for interim allowance, pursuant to section 78eee(b)(5) of SIPA, and sections 330(a) and 331 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 2016-1 of the Local Rules for the Bankruptcy Court for the Southern District of New York (the “Local Rules”), for compensation for professional services rendered and for

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Applications.

² For convenience, future reference to SIPA will not include “15 U.S.C.”

reimbursement of actual and necessary expenses incurred during the period February 1, 2010 through and including May 31, 2010, or such other date as indicated in the Applications or on Exhibit A (the “Compensation Period”); and it appearing that sufficient notice of the Applications having been given by August 20, 2010 [BLMIS Dkt. No. 2921], and no other notice being necessary; and procedures set forth in this Court’s Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals, dated December 23, 2008 [BLMIS Dkt. No. 12], as amended on December 17, 2009 [BLMIS Dkt. No. 1078] (and as may be amended from time to time) having been followed; and the Securities Investor Protection Corporation (“SIPC”) having filed its recommendations (the “Recommendations”) in support of the respective Applications [BLMIS Dkt. Nos. 2969, 2970 and 2971], pursuant to section 78eee(b)(5)(C) of SIPA; and two objections (the “Objections”) having been filed to the Fourth Application of the Trustee and B&H; one objection was filed on behalf of Susanne Stone Marshall (the “Marshall Objector”) [BLMIS Dkt. No. 2967]; the other objection was filed on behalf of Diane and Roger Peskin, Maureen Ebel and a so-called “large group of other customers” (the “Peskin Objectors”) [BLMIS Dkt. No. 2943]; and the Trustee having filed a response (the “Response”) to the Objection [BLMIS Dkt. No. 2975]; and the Court having reviewed and considered the Objections, Recommendations and Response; and a hearing (the “Hearing”) having been held on September 14, 2010 to consider the Applications; and after due deliberation and sufficient cause appearing therefore; and for the reasons stated on the record at the Hearing, it is hereby

ORDERED, ADJUDGED and DECREED that:

1. The Objections are overruled.
2. The Applications are hereby approved on an interim basis in the amounts and to the extent provided in Exhibit A.

3. The Trustee is authorized and directed to remit payment of fees and expenses as set forth on Exhibit A, less all amounts previously paid on account of such fees and expenses, from funds to be advanced to him by SIPC for that purpose pursuant to sections 78eee(b)(5)(E) and 78fff-3(b)(2) of SIPA.

4. The relief granted herein shall be without prejudice to the rights of the Trustee, B&H and the Professionals to seek payment of the fees held back (as set forth in Exhibit A) at a later time.

5. The relief granted herein shall be without prejudice to the rights of the Trustee, B&H and the Professionals to seek compensation and/or reimbursement in subsequent invoices for services performed and/or expenses incurred during the Compensation Period that were not processed at the time of the Applications.

6. This Court shall retain jurisdiction over all matters arising from or related to this Order.

Dated: New York, New York
September 14, 2010

/s/Burton R. Lifland
HONORABLE BURTON R. LIFLAND
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

Adv. Pro. No. 08-1789 (BRL)

Securities Investor Protection Corp. v. Bernard L. Madoff Investment Securities LLC

In re Bernard L. Madoff

Current Compensation Period: February 1, 2010 – May 31, 2010 (or as otherwise indicated)

<u>Applicant</u>	<u>Date and Dkt. No. of Application</u>	<u>Compensation Period</u>	<u>Interim Compensation Requested *</u>	<u>Interim Compensation Awarded</u>	<u>Interim Compensation to be Paid</u>	<u>Expenses Requested</u>	<u>Expenses Awarded</u>
Irving H. Picard, Trustee	8/20/10 Dkt. No. 2883	2/1/10 – 5/31/10	\$601,202.25	\$601,202.25	\$511,021.92	\$39.63	\$39.63
Baker & Hostetler LLP, Counsel to the Trustee	8/20/10 Dkt. No. 2883	2/1/10 – 5/31/10	\$33,981,534.45	\$33,981,534.45	\$28,884,304.29	\$731,371.19	\$731,371.19
Windels Marx Lane & Mittendorf, LLP, Special Counsel to the Trustee	8/20/10 Dkt. No. 2884	2/1/10 – 5/31/10	\$2,175,870.00	\$2,175,870.00	\$1,930,696.00 ³	\$24,141.50	\$24,141.50
Attias & Levy, Special Counsel to the Trustee	8/20/10 Dkt. No. 2888	2/1/10 – 5/31/10	\$97,137.60	\$97,137.60	\$77,710.08	\$10,823.89	\$10,823.89
Eugene F. Collins, Special Counsel to the Trustee	8/20/10 Dkt. No. 2886	2/1/10 – 5/31/10	\$48,211.00	\$48,211.00	\$38,568.80	\$16,233.37	\$16,233.37
Lovells LLP, Special Counsel to the Trustee	8/20/10 Dkt. No. 2891	2/1/10 – 5/31/10	\$335,327.40	\$335,327.40	\$268,261.92	\$64,327.30	\$64,327.30
Williams, Barristers & Attorneys, Special Counsel to the Trustee	8/20/10 Dkt. No. 2887	2/1/10 – 5/31/10	\$85,805.00	\$85,805.00	\$68,644.00	\$9,145.00	\$9,145.00
Schiltz & Schiltz, Special Counsel to the Trustee	8/20/10 Dkt. No. 2890	2/1/10 – 5/31/10	\$68,952.75	\$68,952.75	\$55,162.20	\$4,481.93	\$4,481.93
Higgs Johnson Truman Bodden & Co., Special Counsel to the Trustee	8/20/10 Dkt. No. 2894	10/1/2009 – 11/30/2009; 2/1/10 – 5/31/10	\$94,482.45	\$94,482.45	\$75,585.96	\$11,487.98	\$11,487.98
Kugler Kandestin, L.L.P., Special Counsel to the Trustee	8/20/10 Dkt. No. 2893	2/1/10 –	\$13,050.81	\$13,050.81	\$10,440.65	\$178.62	\$178.62

³ This amount includes \$1,740,696.00 of interim compensation, plus a release of \$190,000 from Windels' "holdback" from prior applications.

		5/31/10					
Mishcon de Reya, Special Counsel to the Trustee	8/20/2010 Dkt. No. 2892	2/1/2010 – 5/31/2010	\$82,407.79	\$82,407.79	\$65,926.23	N/A	N/A
SCA Creque, Special Counsel to the Trustee	8/20/2010 Dkt. No. 2889	2/1/2010 – 5/31/2010	\$10,237.50	\$10,237.50	\$8,190.00	N/A	N/A

* Each Applicant's requested amount includes (at least) a 10% discount from normal hourly rates.

Schedule A(1)

DATE: 9/14/2010

INITIALS: /s/BRL USBJ

Adv. Pro. No. 08-1789 (BRL)
Securities Investor Protection Corp. v. Bernard L. Madoff Investment Securities LLC
In re Bernard L. Madoff

Summary – Cumulative of All Compensation Periods

<u>Applicant</u>	<u>Total Interim Compensation Requested</u>	<u>Total Interim Compensation Awarded</u>	<u>Total Paid</u>	<u>Total Expenses Requested</u>	<u>Total Expenses Awarded</u>
Irving H. Picard, Trustee	\$2,867,627.25	\$2,867,627.25	\$2,437,483.17	\$1,083.57	\$1,083.57
Baker & Hostetler LLP, Counsel to the Trustee	\$93,807,041.38	\$93,807,041.38	\$79,735,988.61	\$1,676,460.73	\$1,676,460.73
Receiver, Richards Kibbe & Orbe LLP, Counsel to the Receiver and AlixPartners LLP, Consultant to Receiver	\$300,000.00	\$300,000.00	\$300,000.00	\$6,449.08	\$6,449.08
AlixPartners, LLP, Consultant to the Receiver	\$316,000.00	\$316,000.00	\$316,000.00	\$15,000.00	\$15,000.00
Windels Marx Lane & Mittendorf, LLP, Counsel to the Chapter 7 Trustee	\$199,500.00	\$199,500.00	\$199,500.00	\$2,770.46	\$2,770.46
Windels Marx Lane & Mittendorf, LLP, Special Counsel to the Trustee	\$3,880,023.40	\$3,880,023.40	\$3,294,018.72	\$56,129.38	\$56,129.38
Attias & Levy, Special Counsel to the Trustee	\$527,401.28	\$527,401.28	\$421,921.02	\$32,888.88	\$32,888.88
Eugene F. Collins, Special Counsel to the Trustee	\$182,204.67	\$182,204.67	\$145,763.75	\$42,619.27	\$42,619.27
Lovells LLP, Special Counsel to the Trustee	\$2,236,324.03	\$2,236,324.03	\$1,789,059.23	\$151,629.58	\$151,629.58
Williams, Barristers & Attorneys, Special Counsel to the Trustee	\$562,013.10	\$562,013.10	\$449,610.48	\$72,196.75	\$72,196.75
Schiltz & Schiltz, Special Counsel to the Trustee	\$303,222.60	\$303,222.60	\$242,578.09	\$19,709.47	\$19,709.47
Higgs Johnson Truman Bodden & Co., Special Counsel to the Trustee	\$199,312.20	\$199,312.20	\$159,449.76	\$20,441.18	\$20,441.18

SCA Creque, Special Counsel to the Trustee	\$116,915.00	\$116,915.00	\$93,532.00	N/A	N/A
Schifferli Vafadar Sivilotti, Special Counsel to the Trustee	\$17,410.00	\$17,410.00	\$13,928.00	N/A	N/A
Kugler Kandestin, L.L.P., Special Counsel to the Trustee	\$18,169.38	\$18,169.38	\$14,535.51	\$371.70	\$371.70
Mishcon de Reya, Special Counsel to the Trustee	\$82,407.79	\$82,407.79	\$65,926.23	N/A	N/A

Schedule A(2)

DATE: 9/14/2010

INITIALS: /s/BRL USBJ